

## The President's Daily Brief

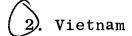
Top Secret 3 March 1967

## DAILY BRIEF 3 MARCH 1967

South Vietnam

Pressure is building up fast for an early decision by the military on whether to back Ky or Thieu for the presidency. The Armed Forces Congress may meet on the question as early as this weekend.

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From a recent conversation with the Soviet ambassador in Hanoi, a Western diplomat got the impression that Moscow sees the new US military tactics against North Vietnam as an "added measure of the same," rather than as an "escalatory step." However, the diplomat inferred that the mining of Haiphong would be regarded as escalation. Soviet policy, the Westerner surmised, will be determined by the war's political and economic cost to Moscow—and not solely by US action against North Vietnam.

Ambassador Thompson got a slightly different—and tougher—reaction yester—day from a middle—level official in the Soviet foreign ministry. This man laced into the ambassador rather vigorously on what he called our recent escalation in Vietnam. He was courteous throughout, however, and seemed to be talking only for the record.

3. Argentina

The Ongania regime won an important victory over the big General Labor Confederation on 1 March. The confederation's 24-hour general strike was a flop. The failure is a serious if not final blow to labor's phased "action plan" against the government's work reform measures.

4.	Commu	nist	China

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(5.) West Germany

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6. Uruguay

7. Dominican Republic

Dominican politics is like a nest of tarantulas. President Balaguer used this apt phrase in a major speech this week that was a forthright response to his political opposition. He stressed that while subversion and political violence will not be tolerated, all shades of political opinion are free to engage in open dialogue.

Some elements of the opposition found the speech constructive and conciliatory—but not the big Dominican Revolutionary Party which Balaguer pointedly ignored. Balaguer's political problems are likely to grow worse before they get better and the tarantulas will be around for a long time.

8. India

To the surprise of many, Mrs. Gandhi is emerging as a very good bet for reelection as prime minister.

Despite the damage to her prestige as a result of her party's election set-backs, Mrs. Gandhi will face the party caucus on 12 March with a considerably larger base of support than her probable rival, the elderly Morarji Desai.

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